Minutes of the Board of Directors’ Meeting
Lane Electric Cooperative, Inc.
April 28, 2014

The regular monthly meeting of the Board of Directors of Lane Electric Cooperative Inc. was called to order by President Christopher B. Seubert at 11:00 AM on Monday, April 28, 2014, at the Cooperative’s office at 787 Bailey Hill Rd, Eugene, Oregon. Directors present were Jeri Nelson, Vice-President; Charles E. Bangle, Secretary; and directors, Charles J. Leighter, and Susan Knudsen Obermeyer. Also present were Charles N. Fadeley, Cooperative’s attorney; Rick Crinklaw, General Manager; Dave D’Avanzo, Manager of Member Services; Debi Wilson, Manager of Office & Staff Services; Tony Toncray, Manager of Construction & Maintenance; Doug Stockdale, Manager of Engineering Services; and Brenda Everts, Executive Secretary, who acted as recording secretary. Directors absent: Patricia C. Dymock, Treasurer and Director Jack A. Billings.

Member Input
Two members, Lynn Bowers and Chris Berner, were present and spoke to the board regarding the Fox Hollow Substation vegetation management plan.

Approval of the Agenda
President Seubert asked if there were additions or amendments to the agenda. Vice President Nelson asked to add a motion during the director’s report to the agenda. Hearing no objections, President Seubert declared the agenda approved as amended.

Approval of Minutes
President Seubert asked if there were any additions or corrections to the minutes for the March 17 regular board meeting and March 18 special meeting minutes. Hearing none, President Seubert then declared both of the minutes approved as presented.

Reports – Director & Committee

• Committee:

• Director:

Director Report – Director Nelson expressed an interest in expanding the pool for director search and selection. Upon motion made and properly seconded to direct the General Manager to prepare and send an appropriate bill stuffer and a direct mail postcard, notifying each member in the McKenzie, Central and Oakridge Districts of the upcoming vacancies on the board of directors with an appropriate description of the character, qualities and responsibilities required of directors and requesting our members’ assistance in encouraging qualified, knowledgeable, and interested members to submit their applications to be considerate as candidates for the board
of directors’ election in October to Lane Electric’s Nominating Committee by the date and in the manner specified in our bylaws. The motion was approved by unanimous vote.

• ORECA Director:

President Seubert, ORECA director, reported on the upcoming CFC financial workshop to be held at the Doubletree in Portland on June 3rd and 4th. He also reported on the Legislative conference being held in Washington DC. He mentioned one of the issues will be the BLM Sage Grouse Issue and asked if anyone had any other issues they would like him to talk to Congressman DeFazio about.

• ORECA Government Affairs Committee (GAC):

Mr. Crinklaw reported on the Governor’s Renewable Portfolio Standard (RPS) Task Force that was created with the purpose of considering revisions in Oregon RPS. He reported that House Bill 4126 was approved by the House with a 60-0 vote and the Senate with a 29-0 vote. He also reported that on April 1 Governor Kitzhaber signed it into legislation. He mentioned even given the importance of the issue, it was a very low key event with no ceremony or press coverage.

Report – Manager’s

• Thank You Cards:

Cards and thank you letters were shared with the board.

• Biological Opinion (BiOp)/ Fish & Wildlife Status:

Mr. Crinklaw gave an update on the following items:

• The final revised Bi-Op
• “DamNation” the Movie
• Hydro Forecast
• Spill Experiment proposed to the Regional Council by the State of Oregon and Nez Perce Indian Tribe
• Willamette Valley Projects

• Regional/Federal Power Issues:

Mr. Crinklaw reported on the following issues:

• The Columbia River Treaty
• BPA Management issues
• Wanapum Dam Update
• BPA Capital Investment Review
• BPA Rate Case

Attorney Chuck Fadeley arrived for the meeting at 12:00 p.m.

• PNGC Financial report:
Mr. Crinklaw reported on the current monthly and year-to-date financials for PNGC through February.

• PNGC Activities:

Mr. Crinklaw reported on the following issues:

• FERC Deregistration
• New General Counsel hire, Chris Hill
• Coffin Butte
• Ocean Power Technologies Project

• Pension Legislation

Mr. Crinklaw reported that following unanimous support in the U.S. House and Senate, President Obama signed the pension stabilization legislation.

• FEMA Assistance

Mr. Crinklaw reported that Governor Kitzhaber and President Obama have made a disaster declaration related to the February ice storm. Lane Electric’s staff met with FEMA representatives to document costs. Total damage cost for LEC is approximately $650,000.

• Pre-Pay Program Update:

• Participants = 814
• Current Percentage = 6.75%
• Goal Percentage by Dec. 31, 2014 = 15%

• CoBank Refund

Mr. Crinklaw reported Lane Electric’s total patronage capital allocation from CoBank for the year 2013 was $11,204. The refund received was 75 percent of that total, or $8,403.

• OSHA Final Rules

Mr. Crinklaw reported on new requirements for power industry workers required by OSHA include training, fall protection, fire resistant clothing and other personal protective equipment. NRECA is planning a webinar to address the requirements.

• Conferences & Meetings:

• NRECA Legislative Mission will be held May 5-7 in Washington D.C. Mr. Crinklaw and President Seubert are scheduled to attend.

• NWPPA Annual Meeting will be held May 18-22 in Billings Montana. Directors Billings and Nelson are scheduled to attend.
• CFC Financial Workshop will be held in Portland June 3-4 at the Embassy Suites. Director’s scheduled to attend: Seubert, Bangle and Knudsen Obermeyer.

• CoBank Energy Directors Conference will be held July 7-9 in Colorado Springs. Mr. Crinklaw asked anyone interested in attending to let Ms. Everts know.

• Managers’ Report:

Mr. Crinklaw reported on the following items:

• Upper Willamette Community Development Corp (CDC) – Mr. Crinklaw reported he will be serving on the board through the month of August.

• PPC Executive Committee – Mr. Crinklaw submitted his letter of resignation effective April 4, 2014. He recommended Roman Gillen be appointed to serve the remainder of his term on the board.

• Alan Jones Award – Mr. Crinklaw reported he was the recipient of the Alan Jones Award and thanked Directors Seubert and Dymock for attending the celebration.

• Travel & Meetings Itinerary:

Each director received a copy of Mr. Crinklaw’s travel and meeting itinerary for April and May.

75th Anniversary Recognition Plan

Mr. D’Avanzo explained the preparations being made to celebrate and recognize Lane Electric’s 75th Anniversary on Saturday May 17 as well as the plan for the year following. He mentioned the festivities will also include a recognition for ex director Jim Hill for receiving NWPPA’s Life Membership Award.

Policy Review

Mr. D’Avanzo reported on the policy subject to review, Policy 304 (Meter Reading) and Policy402 (Disposal of Utility Property). There were suggested changes in both policies. Upon motion made and properly seconded it was approved to renew as presented and amended Policy 304 (Meter Reading) and Policy402 (Disposal of Utility Property). The motion was approved by unanimous vote.

Donation Requests

Community Festivals Association – Oakridge Tree Planting Festival – A motion was made and properly seconded to donate $200 to the Community Festivals Association – Oakridge Tree Planting Festival. The motion was approved by unanimous vote.

NRECA International Foundation – A motion was made and properly seconded to donate $500 to the NRECA International Foundation. The motion was approved by unanimous vote.

“OMG! Future Co-op Members!”
“OMG! Future Co-op Members” was the title of a video of a presentation at the NRECA Annual meeting. It highlighted a panel of four NRECA Youth Consulting Board with a Steve Collier as the facilitator. The youth were very informative and entertaining. The youth explained how communication varies between generations.

Appointing Voting Delegates

Upon motion made and properly seconded to appoint the following individuals to serve as voting delegates representing Lane Electric Cooperative at the annual meetings for the following organizations:

- Cooperative Response Center (CRC)
  Delegate: Director Nelson, Alternate: Director Bangle

- Northwest Public Power Association (NWPPA)
  Delegate: Director Billings, Alternate: Director Nelson

- National Cooperative Services Corporation (NCSC)
  Delegate: Director Bangle, Alternate: Director Nelson

Construction Work Plan Activities Report

Mr. Stockdale gave the quarterly construction work plan activities report. Following discussion, a motion was made and properly seconded to authorize an amendment in the capital budget moving project 329A (UPRR Oakridge East and Hwy 58 Retirements) to 2015, and Project 329K (Crow Road Reconductor – Phase 1) to 2014. The motion was approved by unanimous vote.

SmartHub Demonstration – Outage Reporting

Mr. D’Avanzo demonstrated how to report an outage using SmartHub on an iPhone and iPad. He also showed what takes place in the office following the outage being reported.

Renewable Energy Credit Inventory

Ms. Wilson provided information regarding Lane Electric’s position to meet Oregon’s Renewable Portfolio Standard (RPS) following recent changes in legislation.

Presentation & Acceptance of 2013 Tax Return

The board of directors along with Ms. Wilson and Ms. Scoble reviewed and discussed the 2013 federal tax return that was prepared (Form 990) following completion of the 2013 audit. Following discussion a motion was made and properly seconded to accept the 2013 tax return (Form 990) for Lane Electric Cooperative, and direct the Cooperative’s General Manager to sign the tax return and file it tamely. The motion was approved by unanimous vote.

Financial Report
Ms. Scoble, Controller, along with Debi Wilson reported on the financial condition of the Cooperative for the period ending February 2014.

Safety Program Report

Tony Toncray, Manager of Construction & Maintenance, reported the Office safety meeting was held April 17, and the topic was “After Hours Safety”. The Construction and Maintenance safety meeting was held April 24. The topic was “Chainsaw Safety”. He also reported on the status of the Employee Safety Program through the end of February and reported there have been 579 days without a time loss injury.

Director Bangle also reported on the safety meetings.

Agenda Items for May 27

• Waiver of notice
• Donations
• “Storm Soldiers”
• Board Transition
• Strategic Plan Review

Legal report and Executive Session

There being no further business to come before the board in open session, the directors along with Mr. Crinklaw and Mr. Fadeley, entered into executive session.

Adjournment

Meeting adjourned at approximately 4:15 p.m